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SUBJECT: LAOS: ANNUAL UXO MEETINGS HIGHLIGHT U.S. CONTRIBUTIONS; JAPAN POISED TO TAKE FUNDING LEAD

REF: VIENTIANE 914

1: Summary: UXO Lao and the National Regulatory Authority (NRA) held year-end meetings to discuss 2007 achievements on removal of unexploded ordnance and to look ahead at 2008 workplans. UXO Lao is on track to clear approximately 21% more land in 2007 than in 2006, with U.S.-funded initiatives helping to improve productivity. UXO Lao's projected FY 2008 budget deficit does not take into account the expected sharp U.S. funding cut foreseen in the current USG FY 2008 budget. The United States will likely lose its position as the largest donor to the sector in FY 2008 to Japan. Current projections show Japan giving \$2 million in FY 2008, while the U.S. is scheduled to only give \$1.4 million. The NRA claimed a number of accomplishments for 2007 including the publication of national UXO clearance standards as well as completing preparation for the first comprehensive UXO victim survey to take place in 2008. This survey, which should finally give government and donors reliable statistics on the number of UXO accident victims, will be updated each year. In order to help maintain political support for further aid, donors encouraged the NRA to seek out more funding from the Lao Government for the UXO sector. End Summary.

"Explosive" Donor Visit Covers 2007 Achievements and 2008 Plans

¶2. UXO Lao held its annual donor field visit December 5-7 in Saravan province. The purpose of the trip was to remind donors of the reality of what they fund, discuss progress in 2007, and then approve UXO Lao's 2008 workplan. In addition, attendees had the opportunity to blow things up, including a number of cluster bombs (or bombs as they are called in Laos) and some large 500 pound bombs. The explosions did a fine job of concentrating donors on the tangible importance UXO Lao's work.

¶3. Mr. Bounpone Sayasenh, National Program Director for UXO Lao since its inception in 1996, briefed donors on UXO Laos' 2007 progress report. According to Mr. Bounpone, 2007 was an excellent year. Although statistics were only available through October 2007, UXO Lao had already cleared 2,274 hectares, 96% of its goal and 21% more than was cleared through October 2006. The national strategic plan, the "Safe Path Forward," had called for clearing only 1800 hectares in ¶2007. Mr. Bounpone and his team were clearly proud of the progress they have made in increasing UXO Lao's productivity.

U.S. Funded Initiatives Improve Productivity

14. Driving the improvements in productivity are a number of management initiatives, many funded by the United States. A 2005-2006 study on clearance systems made clear the importance of using UXO detectors such as the Vallon VMXCI to help speed clearance rates. Tuned to detect objects the size of half a BLU-26 bomblet with fuse (the national standard), UXO detectors such as the Vallon greatly increase productivity by not requiring the operator to stop to check every small piece of metal that mine detectors catch. The vast majority of UXO Lao's 1,235 detectors are designed to clear mines and thus detect even minute amounts of metal. Because Laos is covered with scrap, clearing using regular detectors is much slower; UXO Lao believes new UXO detectors could increase clearance rates by 50%. UXO Lao currently owns 64 Vallons, funded by the USG and Irish Aid. It plans to purchase an additional 230 with non-U.S. funding.

(Comment: Ref A reports Vice Foreign Minister Phongsavath's discussion with PACOM's Admiral Keating in which VFM Phongsavath raised the need for additional equipment. This is an area where increased U.S. funds could make an immediate difference. UXO Lao needs to replace about 800 mine detectors with UXO detectors. Although expensive (the Vallons cost 2,650 euros apiece), new detectors would lead to an immediate jump in clearance speed and bring Laos closer to reaching the end-state foreseen in the Laos UXO country plan. End Comment.)

15. Mr. Bounpone also discussed the importance of the U.S.-sponsored enhanced technical survey (ETS), which the delegation saw in action. The ETS allows UXO Lao to make judgments, based on available data and spot checks, as to whether a plot of land needs to be cleared or can be released

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for use. ETS teams are working in five provinces: Luangprabang, Savannakhet, Xiengkuang, Champassack, and Sekong. UXO Lao intends, as funding is available, to deploy ETS teams in the remaining 4 provinces where it operates in 2008. It estimates ETS could release up to 20% of the land targeted for clearance, although these plots would need to be classified as "released" and not cleared. The Lao government is currently working on legislation to support "released" land and cover liability issues.

Planning for 2008 and the plea for cash

16. UXO Lao also presented its 2008 workplan for the donors to discuss and approve. Although donors did not have a chance to preview the plan prior to the meeting, the plan does not contain many surprises: an increased emphasis on ETS usage, exploration of new technologies such as the geophysical survey, an increased budget for purchasing vehicles and detectors, and an estimated \$976,730 shortfall. This assumes the U.S. will pay, as previously agreed (subject to availability of funds), the operating costs for Savannakhet and Champassack provinces. However, the current FY 08 budget cuts U.S. funding to UXO Lao by approximately one-third and is no longer sufficient to fund the costs of clearing the two provinces; UXO Lao is not yet aware of this contingency.

17. Although not raised officially in Saravan a number of the donors discussed the need for the Lao government to begin funding some of the UXO Lao budget itself. "Mine action" in Laos is essentially paid for by foreign donors, although the government does provide buildings. This discussion spilled over into the evening, and the topic was then raised at the National Regulatory Authority (NRA) annual review, held December 12 and chaired by NRA Director Dr. Maligna Saignavongs.

¶ 18. The NRA itself remains a work in progress. In his December 12 review of 2007 Dr. Maligna was careful not to exaggerate the NRA's achievements. He did, however, make the case that, as a young agency within the Lao Government, the NRA was still developing critical relationships with other Ministries (many of which sit on the Board which theoretically oversees the agency and determines policy) and finding its *raison d'etre*. The NRA's key achievements for 2007 include:

Development of National UXO Clearance Standards.
Development of a Certification process for UXO operators and the first accreditations of Milsearch and Bactec, both commercial firms.
Installation of the UN's Information System for Mine Action (IMSMA) as the basis for the national Lao UXO database.
Development of new Mine Risk Education materials.
Development of a comprehensive program to collect UXO victim information nationwide.

2008 Victim Survey Should help clarify extent of problem

¶ 19. One of the NRA's chief objectives is to reduce the number of UXO incidents to fewer than 100 people a year. Reaching this objective requires good data on the number of incidents per year, something which does not exist. Outside of a 1997 Handicap International study which documented 11,000 people killed or injured by UXO between 1973 and 1996, there is precious little hard annual data on accidents. This should change in 2008, as the NRA is moving forward with a two-step plan to first gather data on all UXO victims and accidents since 1964, and then begin a process to collect data on current UXO victims. The survey will be carried out by the National Rehabilitation Center and the Ministry of Health. A previous plan announced in mid-2007 fell apart due to bureaucratic infighting related to the control of the survey. Assuming the new survey goes ahead, it should allow the NRA to focus UXO clearance, education, and victim assistance efforts to areas with high ongoing accident rates.

¶ 110. Another important development for 2008 is the detailed

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workplan which the U.S.-funded technical assistant (working via Armor Group North America) helped draw up in consultation with the Lao government. Having set out a clear roadmap, including timelines, responsible parties, and budgets, the NRA does not lack for direction. It will, however, need strong leadership. Dr. Maligna is a savvy former Lao diplomat who was brought out of retirement to run the NRA. Although he has agreed to stay at least through 2008, his work and that of his successor will be critical to the NRA's long-run success. The current favorite among donors is Mr. Bounpone, Director of UXO Lao. Although not quite as well-connected as Dr. Maligna, his knowledge of the UXO situation and players in Laos is second to none, and Mr. Bounpone has shown an unusual ability to manage people and his current organization. Financial controls at UXO Lao have also given donor confidence in Mr. Bounpone's ability to manage a budget without leakage, an important issue when the entire sector relies on foreign financing.

No Longer the Largest Donor?

¶ 111. The United States has donated more money to the UXO sector in Laos than any other country, more than \$30 million since FY 1993. It is in danger of losing its crown as the largest yearly donor to the Japanese, however. The Japanese Government raised its contributions in the recent past,

giving \$1.6 million in FY 2006 and \$2.0 million in FY 2007. If Japan maintains its FY 2007 numbers in FY 2008, it will likely assume the mantle of the largest donor to the UXO sector in Laos. Jun Yoshida, program coordinator for UXO at the Japanese Embassy, is cautious about FY 2008 funding levels. A planned FY 2008 USG budget of \$1.4 million for UXO removal in Laos gives the Japanese government plenty of room to come out ahead.

GOL urged to commit funds to UXO clearance

¶12. At the NRA meeting, the Swiss representative raised the importance of the Lao government taking greater ownership of the UXO program by providing at least some funding. The Swiss Government recently donated \$1.5 million to the UXO sector, of which approximately \$500,000 is going to the NRA to fund the majority of its FY 2008 budget; the Swiss will also provide two technical assistants. The National Strategic Plan, written in 2003, calls for a yearly \$50,000 contribution from the Lao government to the UXO sector; this money has never made its way into the budget of UXO Lao or any independent operator. Dr. Maligna of the NRA did note that the government is paying for a new building to house UXO Lao and the NRA, with construction scheduled to start in ¶2008. The funding issue resonated with a number of donors who pointed out that it is much easier to raise money for UXO clearance when it is clear that it is a true government priority, as demonstrated by the Lao government providing serious funds.

¶13. Comment: While a number of donors made suggestions to the Lao government at both meetings, there appears to be little significant dissatisfaction among donors with UXO Lao and the NRA. While not moving as fast as we would like, considerable progress is being made in creating a viable NRA.

A projected revision of the National Strategic Plan, strongly urged by the United States and Australia, should help clarify Lao government priorities and allow donors to focus their aid where most required. Unfortunately, projected U.S. funding levels for FY 2008 will diminish U.S. influence and limit our ability to push for necessary capacity building. Fair or not, the Lao Government and the international community in Laos link the UXO problem directly with the United States. To the extent we can maintain our leadership position in funding, we also extend our influence and enhance our prestige.

McGeehan